COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 11, 2008

APPLICATION OF

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VIRGINIA ELECTRIC AND POWER COMPANY D/B/A DOMINION VIRGINIA POWER

CASE NO. PUE-2008-00072

For a certificate of public convenience and necessity for facilities in Fairfax County: EPG 230 kV Transmission Line and EPG Substation

ORDER FOR NOTICE AND HEARING

On August 1, 2008, Virginia Electric and Power Company, d/b/a Dominion Virginia

Power ("Dominion Virginia Power" or "Company"), filed with the State Corporation

Commission ("Commission") an Application for Approval and Certification of an Engineer

Proving Ground ("EPG") Single Circuit 230 kV Transmission Line and EPG Substation

("Application"). The Company's Application states that the need for these electric facilities is

directly related to a request for service by the United States Department of the Army ("Army") to

support the expansion of Fort Belvoir in Fairfax County, Virginia, pursuant to recommendations

of the Defense Base Closure and Realignment Commission. According to the Application, the

Army requested the Company to provide Fort Belvoir with 51 MW capacity for 2011 with the

ability to expand incrementally to 69 MW and greater loads in the future, including two (2)

additional transformers. The Company's Application states that baseline service is required no

later than March 2010.

¹ Application at 2.

² Id.

³ Id.

Based on the Army's request, the Company proposes to construct an overhead single-circuit 230 kV transmission line⁴ from a point on its existing Possum Point-Hayfield 230 kV Line #215 to the proposed EPG Substation in Fairfax County. The Company identified a Proposed Route of approximately 0.45 mile in length; a Proposed Route with Alternate Segment of approximately 0.43 mile in length; and an Alternate Route of approximately 0.56 mile in length.⁵ New right-of-way of approximately 100 feet in width would be acquired for any approved route.⁶ The proposed substation would be located on the U.S. Army's Fort Belvoir and would initially include a 56 MVA 230-34.5 kV transformer and associated equipment.

Dominion Virginia Power seeks approval of the proposed facilities pursuant to § 56-46.1 and the Utility Facilities Act (§ 56-265.1 et seq.) of the Code of Virginia (hereinafter "Code").

As required by §§ 15.2-2202 D and 56-46.1 D of the Code, an electric utility must give notice to affected localities of its intention to file an application for approval of a transmission line designed to operate at 150 kV or more prior to filing with the Commission. The Company included in the Appendix, at 31 and Attachments III.B.1 and III.B.2 following page 31, information and copies of its notice to Fairfax County.

As provided by § 62-44.15:21 D 2 of the Code, the Commission and the State Water Control Board must consult on wetland impacts prior to the siting of electric utility facilities that require a certificate of public convenience and necessity. In accordance with the Department of Environmental Quality ("DEQ")-State Corporation Commission Memorandum of Agreement

⁴ Although the line would operate as a single circuit, it would loop from Line #215 to the substation and return. The supporting structure would support three conductors on each side. (Appendix at 3 and Attach. II A.3.a following page 15.)

⁵ Appendix at 13.

⁶ Id. at 16.

Regarding Consultation on Wetland Impacts (July 2003),⁷ entered into pursuant to § 62.1-44.15:21 D 2 of the Code, DEQ, acting on behalf of the State Water Control Board, filed letters dated March 31, 2008,⁸ April 8, 2008,⁹ and July 7, 2008,¹⁰ advising that it had reviewed the transmission line project. According to the Wetland Impacts Consultation, the probability of wetlands impact along any of the identified routes is low.

Section 56-46.1 of the Code provides for the Commission to receive and to consider reports on the proposed facilities from state environmental agencies. The Commission Staff formally advised the DEQ of Dominion Virginia Power's Application and requested DEQ to coordinate an environmental review. DEQ has informed the Commission Staff that it would coordinate a review of the environmental impact of the proposed transmission line and provide a report to the Commission.

The Commission finds that, as provided by §§ 56-46.1, 56-265.2, and related provisions of the Code, this matter should be docketed and the Company should give notice of its Application to interested persons and the public. The Commission further finds that, as required by § 62.1-44.15:21 D 2 of the Code, consultation on wetland impacts is concluded, and the DEQ has commenced its coordinated environmental review of the proposed transmission line. The

⁷ Order Distributing Memorandum of Agreement of July 30, 2003, in <u>In re. Receiving Comments on a Draft Memorandum of Agreement between the State Water Control Board and the State Corporation Commission</u>, Case No. PUE-2003-00114 (available at www.scc.virginia.gov/case and search Case No. PUE-2003-00114).

⁸ Letter from Chris Egghart, Department of Environmental Quality, of March 31, 2008, to Wayne N. Smith, State Corporation Commission, filed in Case No. PUE-2008-00072.

⁹ Letter from David L. Davis, Department of Environmental Quality, of April 8, 2008, to Wayne N. Smith, State Corporation Commission, filed in Case No. PUE-2008-00072.

¹⁰ Letter from Michelle Henicheck, Department of Environmental Quality, of July 7, 2008, to Wayne N. Smith, State Corporation Commission, filed in Case No. PUE-2008-00072.

¹¹ Letter from Wayne N. Smith, State Corporation Commission, of August 7, 2008, to Michael P. Murphy, Department of Environmental Quality, filed in Case No. PUE-2008-00072.

Commission will therefore establish a procedural schedule for the filing of comments, notices of participation, and a hearing on the Application. We will also direct the Commission Staff to investigate the Application and to file a report and exhibits on the results of its investigation.

Accordingly, IT IS ORDERED THAT:

- (1) As provided by §§ 56-46.1, 56-265.2, and other related provisions of Title 56 of the Code, this matter be docketed as Case No. PUE-2008-00072 and all associated papers be filed therein.
- (2) As provided by § 12.1-31 of the Code and the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-120, Procedure before Hearing Examiners, a hearing examiner be appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.
- (3) A public hearing on the Application shall be held at 10:00 a.m. on February 4, 2009, in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff.
- (4) As provided by the Rules of Practice, 5 VAC 5-20-80 C, Public witnesses, written comments on the Application may be filed, on or before January 28, 2009, by either of the following methods:
- A. Comments may be submitted in writing to Clerk, State Corporation

 Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

 Compact discs or any other form of electronic storage medium may not be filed with comments.

 All correspondence and comments shall refer to Case No. PUE-2008-00072; or

- B. Comments may be submitted electronically by following the instructions available at the Commission's website: www.scc.virginia.gov/case.
- (5) On or before October 29, 2008, any person or entity may file with the Commission Clerk, at the mailing address provided in Ordering Paragraph (4) A, an original and fifteen (15) copies of a notice of participation as a respondent as required by the Rules of Practice, 5 VAC 5-20-80 B, Participation as a respondent. A copy shall simultaneously be served on counsel to the Company, Bernard L. McNamee, Esquire, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia 23219-4030; and John D. Sharer, Esquire, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. The notice of participation shall be filed and served as required by the Rules of Practice, 5 VAC 5-20-140, Filing and service, and 5 VAC 5-20-150, Copies and format. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by the Rules of Practice, 5 VAC 5-20-30, Counsel.
- (6) Within five (5) business days of receipt of a notice of participation as a respondent as required by Ordering Paragraph (5), the Company shall serve upon the respondent a copy of this Order and a copy of the Application and the company's direct testimony and exhibits, unless these materials have already been provided to the respondent.
- (7) On or before November 20, 2008, each respondent may file with the Commission Clerk an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and serve a copy of the testimony and exhibits on the Company, the Commission Staff and all other parties in this case. Respondents shall comply with the Rules of Practice, 5 VAC 5-20-140, Filing and service, 5 VAC 5-20-150, Copies and format, and 5 VAC 5-20-240, Prepared testimony and exhibits.

- (8) As provided by the Rules of Practice, 5 VAC 5-20-80 D, Commission Staff, the Staff shall participate in this proceeding and conduct an investigation of the Company's application. On or before December 19, 2008, the Staff shall file with the Commission Clerk a report, exhibits and any testimony it intends to present at the hearing.
- (9) On or before January 7, 2009, the Company may file with the Commission Clerk an original and fifteen (15) copies of any rebuttal testimony and exhibits that it expects to offer and shall serve a copy on all parties and the Staff.
- (10) On or before September 24, 2008, the Company shall serve a copy of this Order and the sketch map appearing as Attachment V.A. following page 44 of Appendix on the chairman of the Board of Supervisors of Fairfax County. Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.
- (11) On or before October 17, 2008, the Company shall cause to be sent by first-class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (12) of this Order to all owners of property within the route of the proposed line, as indicated on the map or sketch of the route filed with the Commission, which requirement shall be satisfied by mailing the notice to such persons at such addresses as are indicated in the land books maintained by the commissioner of revenue, director of finance, treasurer, or other officer of the county or municipality designated as provided by § 58.1-3100 of the Code.
- (12) On or before October 17, 2008, the Company shall publish in two (2) successive weeks the following notice and a copy of the sketch map of the proposed route appearing as Attachment V.A. following page 44 in the Appendix, as display advertising (not classified) in a newspaper or newspapers of general circulation in Fairfax County:

NOTICE TO THE PUBLIC OF AN APPLICATION BY VIRGINIA ELECTRIC AND POWER COMPANY D/B/A DOMINION VIRGINIA POWER FOR APPROVAL OF A TRANSMISSION LINE AND SUBSTATION IN FAIRFAX COUNTY CASE NO. PUE-2008-00072

On August 1, 2008, Virginia Electric and Power Company, d/b/a Dominion Virginia Power ("Dominion Virginia Power" or "Company"), filed with the State Corporation Commission ("Commission") an Application for Approval and Certification of an Engineer Proving Ground ("EPG") Single Circuit 230 kV Transmission Line and EPG Substation ("Application"). The Company's Application states that the need for these electric facilities is directly related to a request for service by the United States Department of the Army ("Army") to support the expansion of Fort Belvoir, in Fairfax County, Virginia, pursuant to recommendations of the Defense Base Closure and Realignment Commission. According to the Company's Application, the Army requested the Company to provide Fort Belvoir with 51 MW capacity for 2011 with the ability to expand incrementally to 69 MW and greater loads in the future, including two (2) additional transformers. The Company's Application states that baseline service is required no later than March of 2010.

Based on the Army's request, the Company proposes to construct an overhead single-circuit 230 kV transmission line from a point on its existing Possum Point-Hayfield 230 kV Line #215 to the proposed EPG Substation in Fairfax County. All proposed facilities would be in Fairfax County. Although the line would operate as a single circuit, it would loop from Line #215 to the substation and return. The supporting structure would support three conductors on each side.

The Company identified a Proposed Route of approximately 0.45 mile in length; a Proposed Route with Alternate Segment of approximately 0.43 mile in length; and an Alternate Route of approximately 0.56 mile in length. New right-of-way of approximately 100 feet in width would be acquired for any approved route. The proposed substation would be located on the U.S. Army's Fort Belvoir and would initially include a 56 MVA 230-34.5 kV transformer and associated equipment.

A description of the proposed route for the transmission line follows:

Proposed Route

The Proposed Route is approximately 0.45 mile long and originates from a tap off Lines #248 and #215, structure 110, which is located within the north-western cloverleaf of exit 166 of Interstate I-95. The Proposed Route generally runs alongside the Fairfax County Parkway (State Route 7100) heading in a northwesterly direction for 0.22 mile, crossing Fullerton Road 0.29 mile northwest of Interstate I-95. The Proposed Route continues in that same northwesterly direction for 0.09 mile at which point it enters onto Army property and terminates at the proposed EPG substation.

The Proposed Route with Alternative Segment

The Proposed Route with Alternative Segment is approximately 0.43 mile long and originates, as does the Proposed Route, from a tap off Lines # 248 and # 215, structure 110, which is located within the north-western cloverleaf of exit 166 off of Interstate I-95. The Proposed Route with Alternative Segment generally runs alongside the Fairfax County Parkway (State Route 7100) heading in a northwesterly direction for 0.22 mile, crossing Fullerton Road 0.29 mile northwest of Interstate I-95. This route deviates from the Proposed Route in that it angles away from the Proposed Route affecting one additional property at 7200 Fullerton Road with the proposed right-of-way. The Proposed Route with Alternate Segment continues in that same northwesterly direction for 0.09 mile at which point it enters onto Army property and terminates at the proposed EPG substation.

The Alternate Route

The Alternate Route originates from Dominion Virginia Power's Franconia Substation and travels in a northwesterly direction for 0.14 mile until it crosses Fullerton Road. As the Alternate Route crosses Fullerton Road, the route angles northeast for 0.20 mile, crossing the proposed extension of Boudinot Drive. At this point the route angles again to turn more northward and heads 0.24 mile into the proposed EPG substation.

All distances and directions are approximate. A sketch map of the Proposed and Alternate routes accompanies this notice.

The Commission may consider and approve a route not significantly different from the route described in this notice without additional notice to the public.

The Company's Application, Commission Orders, and all documents filed in Case No. PUE-2008-00072 may be inspected in the Commission's Document Control Center, Office of the Clerk of the Commission, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, during Commission business hours. The Application, unofficial text of the Commission's Orders, and other materials in Case No. PUE-2008-00072 may be viewed at the Commission's website: www.scc.virginia.gov/case by clicking "Docket Search." A digital geographic information system (GIS) map showing the location of the proposed and alternate routes may be viewed on the Commission's website: www.scc.virginia.gov/pue/elec/transline.aspx.

Copies of the Application and other supporting materials may also be inspected during regular business hours at the following locations:

> Dominion Virginia Power Riverside Building, 5th floor 120 Tredegar Street Richmond, Virginia Contact: Courtney R. Fisher

Fairfax County 12055 Government Center Parkway, Suite 753 Fairfax, Virginia Contact: Mr. James P. Zook, Director, Department of Planning and Zoning

Comments may be submitted in writing, on or before January 28, 2009, to the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Diskettes, compact disks, or any other form of electronic storage medium may not be filed with comments. All correspondence shall refer to Case No. PUE-2008-00072.

<u>OR</u>

Comments may be submitted electronically, on or before January 28, 2009, by following the instructions available at the Commission's website: www.scc.virginia.gov/case and clicking "Public Comments/Notices." Persons commenting electronically need not file comments in writing with the Clerk.

A public hearing on the Application shall be held at 10:00 a.m. on February 4, 2009, in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive the testimony of public witnesses and the evidence of the Company, any respondents and the Staff.

On or before October 29, 2008, any person or entity may file with the Commission Clerk, at the mailing address provided in Ordering Paragraph (4) A, an original and fifteen (15) copies of a notice of participation as a respondent as required by the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-80 B, Participation as a respondent. A copy shall simultaneously be served on counsel to the Company, Bernard L. McNamee, Esquire, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia 23219-4030; and John D. Sharer, Esquire, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. The notice of participation shall be filed and served as required by the Rules of Practice, 5 VAC 5-20-140, Filing and service, and 5 VAC 5-20-150, Copies and format. Any organization, corporation, or government entity participating as a respondent must be represented by counsel as required by the Rules of Practice, 5 VAC 5-20-30, Counsel.

On or before November 20, 2008, each respondent may file with the Commission Clerk an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and serve a copy of the testimony and exhibits on all other parties in this case. Respondents shall comply with the Rules of Practice, 5 VAC 5 20-140, Filing and service, 5 VAC 5-20-150, Copies and format, and 5 VAC 5-20-240, Prepared testimony and exhibits.

The Commission's Rules of Practice, the Commission's Order for Notice and Hearing, and other information may be viewed at www.scc.virginia.gov/case.

VIRGINIA ELECTRIC AND POWER COMPANY

(13) On or before October 8, 2008, the Company shall file with the Commission Clerk a certificate of the mailing notice to the official prescribed by Ordering Paragraph (10), which shall include the name and address of the official served.

- (14) On or before November 7, 2008, the Company shall file with the Commission Clerk a certificate of the mailing of the notice to owners of property prescribed by Ordering Paragraph (11). The certificate shall not include the names and addresses of the owners of property served, but the Company shall maintain a record of this information.
- (15) On or before November 7, 2008, the Company shall file with the Commission Clerk proof of the newspaper publication directed by Ordering Paragraph (12).
- (16) Dominion Virginia Power shall respond to written interrogatories or data requests within ten (10) business days after receipt of same. Except as modified, discovery shall be in accordance with the Rules of Practice.
 - (17) This matter is continued for further Order of the Commission.
 Commissioner Dimitri did not participate in this matter.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Bernard L. McNamee, Esquire, McGuireWoods LLP, One James Center, 901 East Cary Street,
Richmond, Virginia 23219-4030; John D. Sharer, Esquire, Dominion Resources Services, Inc.,
120 Tredegar Street, Richmond, Virginia 23219; and the Commission's Office of General
Counsel and Division of Energy Regulation.